



CITY OF CONCORD

NEW HAMPSHIRE

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ECONOMIC DEVELOPMENT ADVISORY COUNCIL

Minutes
October 10, 2008
7:30 A.M.

The meeting convened at 7:35 A.M. in the Second Floor Conference Room, City Hall, 41 Green Street, Concord.

PRESENT: Allen Bennett, Tim Bernier, Doug Black, Chris Carley, Byron Champlin, Mark Coen, Peter Cook, David Feller, Larry Gloekler, John Hoyt, Bill Norton, Dan St. Hilaire, Stephen Heavener

ABSENT: Jan McClure and Claudia Walker

STAFF: Carlos Baía, Deputy City Manager - Development

GUEST: Tom Avallone, Concord Housing Authority

I. MINUTES OF THE AUGUST 1ST EDAC MEETING; AUGUST 22ND, SEPTEMBER 12TH AND SEPTEMBER 26TH REGULATIONS SUB-COMMITTEE MEETINGS

Tim Bernier noted corrections to the August 1, 2008 EDAC minutes.

The minutes were accepted with corrections.

II. REDEVELOPMENT AUTHORITY STATUS

John Hoyt presented a history of the redevelopment authority initiative. He indicated that last Fall, Concord Housing Authority (CHA) developed a strategic plan at the same time that the City Council was setting its priorities. CHA and Council both cited a redevelopment authority as a priority.

Rod Tenney, John Ransmeier and John Hoyt reviewed state statutes to determine the ability to establish such an authority. The original intent was to create a separate authority from the CHA and the City.

After further research and meetings with the Manchester Housing Authority and City staff, CHA now felt that it was better equipped to take on the redevelopment initiatives.

Mr. Hoyt indicated that the redevelopment authority (RA) would act as a land bank to gather contiguous pieces of property. Under statutes, CHA can perform the same functions as a RA. CHA also has eminent domain powers.

Mr. Hoyt explained that CHA would view its role as RA as a long-term project, perhaps 20-50 years in timeframe, focused on specific parts of the City such as the Opportunity Corridor.

Dr. Black asked if such a RA would be restricted to housing only. Mr. Hoyt answered that the RA would tackle any project it saw fit.

Tom Avallone admitted that the CHA has a checkered history but that it is now on stable footing and is, therefore, able to be more proactive. Two and a half years ago, CHA created the Housing Foundation and that is doing well. CHA is now considered a model by the Federal government.

According to Mr. Avallone, the only difference between Manchester's Housing Authority (in terms of redevelopment) and the CHA is that redevelopment has been the primary thrust in Manchester for 25 years while in Concord it has been housing.

Mark Coen questioned the checks and balances of such an independent entity. Mr. Avallone responded that the Board of Directors for the CHA is appointed by the City Manager with approval of the Council. He elaborated that there would be site specific agreements with City and/or other development entities for projects that would illustrate who the board of directors for that particular project would be. Every single project would have a governing contract.

Dr. Black asked if land banking is possible. Mr. Avallone responded affirmatively.

David Feller asked if the need to have agreements with the City hinders CHA's ability to react quickly. Mr. Feller wanted to know if CHA would have the authority to close a deal without going to the City.

Mr. Avallone explained that it would depend on the case. If it were a small project, CHA could do it quickly.

Mr. Hoyt elaborated. If the area of focus were the Opportunity Corridor, for example, CHA would create a development plan for sub-areas of this corridor and move forward on specific projects in the identified smaller section. Once they acquired the property and locked in a developer they would then go back to Council.

Mr. Feller contended that this approach differs from the recommendation of the task force that originally suggested a redevelopment authority. They envisioned a more independent entity.

Chris Carley asked who at CHA would develop the master plan for development. Mr. Hoyt indicated that a master plan for the Opportunity Corridor already exists. Mr. Carley asked if that meant that the CHA would only focus on the Opportunity Corridor. Mr. Hoyt answered "not necessarily."

Mr. Carley raised the issue of the restrictions on eminent domain and sought clarification on what CHA thought those powers might be today.

Mr. Hoyt explained that this is still somewhat ambiguous but he understood that if a property is taken it must be for public purpose and it cannot be turned over to the private sector.

Mr. Carley inquired whether the transition to private ownership isn't the ultimate purpose of such a redevelopment authority. Mr. Hoyt answered yes.

Mr. Avallone interjected that no one knows what the real fallout of the legal changes (regarding eminent domain) are.

Mr. Carley asked as to the source of funding for the RA. Mr. Avallone answered that CHA has \$500,000 in the Housing Foundation and a strong balance sheet. He did, however, concede that a redevelopment project may require public funding or a developer's infusion.

Tim Bernier expressed that Concord only has a small area for private sector redevelopment. Mr. Bernier was concerned about taking private sector opportunities off the table through the CHA's actions. Mr. Hoyt agreed that it was a "tricky balancing act".

Mr. Coen asked what was the need for such a redevelopment authority. Byron Champlin remarked that he understood the need to exist because there was no agency to move the City toward longer range goals.

Mr. Hoyt concurred indicating that the RA would create an action plan to implement the variety of master plans that exist.

Larry Gloekler questioned if this wasn't CRDC's role. David Feller clarified that CRDC's mission has expanded to be a statewide organization. In light of this, it was felt that a locally-focused redevelopment authority outside the governmental process was what was needed.

Bill Norton mentioned that the Manchester Housing Authority only has 2.5 people dedicated to redevelopment on a staff of 103. They have only done 3 projects in 10 years. Mr. Norton felt that the Manchester model was very dependent on the political leadership at any given moment and currently the Manchester authority does not have a redevelopment director.

Mr. Carley explained that he could see such an authority working in cases where a property might be contaminated and, as such, would not be as viable to the private sector. Who is going to identify targeted properties for the RA?

Mr. Hoyt indicated that the CHA Board would be responsible for this with input from various sectors of the city. Mr. Avallone elaborated that such input could come from City Planning staff, Matt Walsh, CRDC, etc.

Mr. Carley asked if CHA was seeking EDAC's endorsement. Mr. Hoyt explained that at this moment they were merely gathering input and additional information.

Mr. Norton felt that CHA still had some work to do. Mr. Carley expressed that this was a big project with a lot of implications. Dr. Black added that it was good to bring this up for discussion.

Mr. Carley recommended that the individuals on the CHA Board for managing properties should not be the same as those assuming the development role.

Mr. Hoyt agreed and stated that the CHA Board will expand to 6 if this RA is adopted with 3 members focused on housing and 3 on redevelopment.

Mr. Bernier reiterated that the opportunities in Manchester are not the same as those in Concord. He was concerned about a RA eliminating opportunities for the private sector in Concord.

Mr. Carley concluded discussion suggesting that EDAC is open to the concept but many questions need to be answered by CHA before the next formal steps are taken.

III. CREATIVE ECONOMY

Byron Champlin summarized recent City Council action with respect to the Creative Economy report. He indicated that Council took the task force representatives' suggestion that EDAC be expanded rather than create a Creative Economy Advisory Council that would be duplicative in many elements with EDAC.

Mr. Champlin also indicated that the Steering Committee for the Creative Economy Task Force had met to nominate members to the Creative Concord body. The Steering Committee plans to meet on October 17th to approve the nominees. Subsequently they will convene Creative Concord. Mr. Champlin was asked to chair this group and he accepted.

Once convened, the group would look at the Creative Economy report's priorities and assign people to begin working.

Peter Cook asked how the results will be measured.

Mr. Champlin plans to convene the Creative Economy Task Force at year-end to review what Creative Concord accomplished.

Mr. Champlin also discussed a recent article in Public Management magazine that highlighted the national trend toward a greater appreciation of the creative economy.

Carlos Baía explained that Public Management is the trade publication of the International City/County Management Association.

IV. EDAC ORDINANCE REVISION

Carlos Baía explained that the revised ordinance added two members representative of the for-profit or not-for-profit creative enterprise community. He indicated that this number was simply his understanding but that it could be more or less depending on the will of EDAC.

Dan St. Hilaire inquired if the ordinance couldn't read that the two members would be drawn from a list of "at least" four names.

Chris Carley felt that it should be a finite number.

Mr. Baía stated that the list number was set in finite terms rather than "at least" to be consistent with the other categories represented in the ordinance.

The consensus was to leave the final number at 2 and to delegate the responsibility for the creation of a nominating list of only 4 names to the Creative Concord group.

V. REGULATIONS SUB-COMMITTEE UPDATE

Mr. Bernier presented a summary of the group's work to date.

Bill Norton explained that one challenge to the Mayor's initiative whereby anyone has a chance to offer input on the zoning ordinance is that it raises questions of equity in access. EDAC has been working with staff but there are others in the community that don't have that type of resource. As a result, Concord 20/20 is going to distribute educational materials and set up sessions to invite anyone from the public to discuss the effort.

Chris Carley proffered that he saw two levels at play in this effort relative to EDAC's work. First, there are the quick changes to the ordinances and secondly, there are the big picture items that can also be referenced.

VI. WINDSOR SQUARE PROPOSAL

Carlos Baía explained that the State had issued an appraisal of \$1,120,000 for 2.7 acres. The developers and State had met to discuss the assumptions in the appraisal. A revised appraisal might be forthcoming within the next few weeks.

Mr. Baía added that the developers have met with some of the neighbors on an individual or small group basis rather than a large meeting which they felt could be counterproductive at this early stage.

VII. HOW'S THE ECONOMY DOING?

Carlos Baía indicated that there has been a 52% drop in value in single family residential building permits from this same time last year. When all permits are taken into account, the overall assessed value has dropped by \$10 million in the same

comparative time period. On the other hand, there has been an uptick in smaller scale renovations.

VIII. OTHER BUSINESS

Mr. Carley agreed to host the November meeting but is unable to accommodate the group at his office. Mr. Baía will attempt to book a room at City Hall.

IX. ADJOURNMENT

There being no further business and upon a motion duly made and seconded, the meeting adjourned at 9:00 A.M.